

*Office Memorandum*

UNITED STATES GOVERNMENT

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**TO :** AD/RR (Thru: [redacted])

**From :** Chief, Services Division

**FROM :** Chief, Trade & Finance Branch, Services Division

DATE: 6 February 1952

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**SUBJECT:** Meeting with MSA Concerning Financing of the Statistical Project  
 (Department of Commerce) on "Trade between the Free World and the  
 Soviet Bloc"

1. The meeting was held in Admiral Dupre's conference room,  
 MSA Building, today at 10:30 a.m., and was attended by:

a. For MSA -- Admiral Dupre, Colonel Rodgers, and Mr. Kenneth  
 Hansen, who conducted the meeting.

b. For State Department -- Messrs. Doherty and Moline.

c. For Department of Commerce -- Mr. Karl Anderson and  
 Mrs. Keyserling.

d. For CIA -- Messrs. Millikan, [redacted]

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2. (a) The meeting was held primarily to discuss Department  
 of Commerce's memo (received 6 February) in which is set forth estimated  
 extra cost of this project: for the remainder of fiscal 1952, [redacted]  
 for fiscal 1953, [redacted] - p.a. for reproduction.

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Mr. Hansen stated that MSA had tentatively budgeted for about half  
 of the 1952 cost, and indicated that while he could not commit his  
 agency for 1953 presumably it would continue to bear about half of  
 the total. He also implied that under the legislation MSA could be  
 called upon to meet the entire cost, but suggested that since the  
 project is for the benefit of other agencies as well it would be  
 desirable to reach a mutually agreed basis for division of the cost.  
 He asked the others to express their views.

(b) Mr. Millikan stated that since it is a joint project  
 manifestly there is no way mathematically to divide the cost, but  
 implied agreement to a basis for division to be worked out among the  
 agencies. State Department stated that it has no money available  
 for this purpose, but that it would make indirect contributions to  
 the project by way of providing analyses to other interested agencies.  
 This, of course, is also an important function of CIA. Mrs. Keyserling,  
 for the Department of Commerce, pointed out that while Commerce must  
 collect additional cash out-lay its own contribution, in the form of  
 professional supervision and physical facilities, is very considerable.

(c) Although no commitments were made net result of the dis-  
 cussions was that probably each cost of the project will be borne  
 jointly by MSA and CIA, unless after further consultations with the  
 Bureau of Budget it is ruled that MSA bear the entire cost. From  
 CIA's own point of view there are one or two reasons why we would  
 prefer to undertake responsibility for part of the expense.

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5. It was agreed:

(a) that in the meantime MSA controller will provide Mr. Karl Anderson, Department of Commerce, with necessary authority to proceed immediately with the project, including recruitment of necessary additional staff. MSA is in a position to make this commitment, pending final determination of how costs are to be shared.

(b) that within a week Department of Commerce should address a memo to MSA expanding the estimates contained in its memo, and also detailing its own contribution to the project; that Department of State should address a memo to MSA stating the nature of its indirect contribution; and that CIA should likewise address a memo to MSA setting forth its requirement and stating the nature of its indirect contribution--all for MSA's use in its further discussions with the Bureau of the Budget.

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